

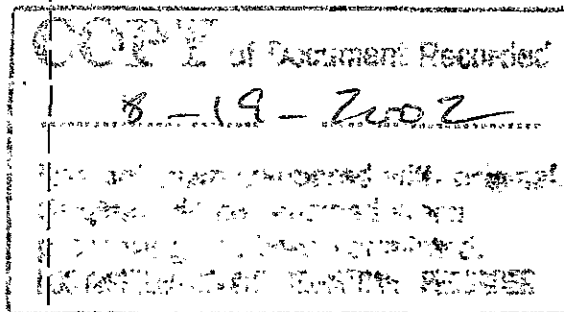
RECORDING REQUESTED BY:

The Estate of Leo Bortz  
Ms. Dotty Candler, Personal Representative  
for the Estate of Leo Bortz  
3261 Provon Lane  
Los Angeles, California 90034

02 1938357

WHEN RECORDED, MAIL TO:

Department of Toxic Substances Control  
Southern California Cleanup Operations  
1011 North Grandview Avenue  
Glendale, California 91201  
Attention: Sayareh Amir, Chief  
Southern California Cleanup Operations



SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

**COVENANT TO RESTRICT USE OF PROPERTY  
ENVIRONMENTAL RESTRICTION**

**PORTION OF FORMER BORTZ OIL FACILITY  
1746 NORTH SPRING STREET SITE  
(ASSESSOR'S PARCEL NO. 5409-002-029, recorded as 1756 North Spring Street)**

This Covenant and Agreement (Covenant) is made by and between the Estate of Leo Bortz (Covenantor), current owner of the Property described in Exhibit A and the Department of Toxic Substances Control (DTSC). Exhibit A, Property Description, includes Parcel 1, Schedule A, and Schedule B. The one-half community property interest of Haska Bortz in the Property is administered in the Estate of Leo Bortz, as shown in Exhibit B. The Property, Assessor's Parcel No. 5409-002-029, is situated in the City of Los Angeles, County of Los Angeles, State of California, and is comprised of Lots 17 to 25 inclusive and Lots 29 to 36 inclusive of the Wilhardt Tract, as per map recorded in Book 6 Page 289 of Miscellaneous Records in the Office

of the County Recorder of Los Angeles County, with certain exceptions as more fully described in Exhibit A. The Property is subject to various leases, covenants, conditions, provisions, easements, agreements and dedications. Exhibit C, Assessor's Parcel Map, shows the parcel map depicting the individual lots comprising the Property. Exhibit D, Site Plan, shows the Areas of Potential Concern (AOPC), including AOPC No. 2, where elevated levels of contaminants were identified. Exhibits A, B, C and D are attached and are incorporated by this reference. Pursuant to Civil Code section 1471, subdivision (c), DTSC has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code section 25260. The Covenantor and DTSC, collectively referred to as the Parties, hereby agree that the use of the Property be restricted as set forth in this Covenant.

#### ARTICLE I

#### STATEMENT OF FACTS

1.01. The Property, totaling approximately 2.7 acres, is more particularly described and depicted in Exhibit A. The Property is located in the City of Los Angeles, County of Los Angeles, State of California, in the area now generally bounded by North Spring Street to the north, North Naud Street to the south, Wilhardt Street to the west, and rail lines and the concrete-lined Los Angeles River channel to the east. The Property, known as 1746 North Spring Street, Los Angeles, California, and recorded as 1756 North Spring Street, Los Angeles, California is more specifically described as County Assessor's Parcel No. 5409-002-029. The Property is made up of 17 contiguous lots, numbered 17, 18, 19, 20, 21, 22, 23, 24, 25, 29, 30, 31, 32, 33, 34, 35, and 36. The Property was owned and operated by Chevron, U.S.A. or its predecessor between 1948 and 1960 to store and distribute thinners, petroleum solvents, kerosene, and diesel fuels. From 1960 to 1978, the property was owned by Chevron, U.S.A. and leased by Bortz Oil Company, Inc. (Bortz Oil), which operated the facility for mixing, packing and distributing petroleum solvents and petroleum products. From 1978 to present, the Property was owned by Bortz Oil.

1.02. On April 13, 1987, DTSC issued Remedial Action Order No. HAS 86/87-039 RA to Bortz Oil, requiring it to conduct interim remedial measures, a remedial investigation and feasibility study, and remedial action in accordance with an approved remedial action plan. The Remedial Action Order was modified on July 6, 1988 to incorporate adjacent property owned by Leo Bortz, located at 1726 North Naud Street (Assessor's Parcel Number 5409-002-024). The property at 1726 North Naud Street is not included in the Property subject to this Covenant. On October 23, 1992, DTSC, Bortz Oil, and the Executors of the Estate of Mr. Leo Bortz entered into a Consent Order that incorporated all provisions of the previous remedial action orders, set out a schedule for completion of the remedial action, and provided for funding of the remediation. On July 8, 1993, DTSC approved the Remedial Action Plan (RAP) for the 1726 North Naud Street Site. The approved RAP, which contained the Remedial Design Workplan, indicated excavation and offsite transportation and disposal of contaminated soil as the preferred alternative. On October 28, 1993, DTSC approved the Final Site Closure Report for the 1726 North Naud Street portion of the Site and determined that the removal activities were in accordance with the provisions of the RAP. As part of the October 23, 1992 Consent Order, Bortz Oil continued its investigation of the 1746 North Spring Street Site. On May 13, 1998, DTSC concurred with the Baseline Risk Assessment (BRA) for the 1746 North Spring Street Site with minor comments. On June 30, 2000, DTSC approved the Soil Removal Action Workplan (RAW) for the 1746 North Spring Street Site. In addition, DTSC determined that the California Environmental Quality Act Notice of Exemption (NOE) was appropriate for the Site. As stated in the approved RAW, soil vapor extraction (SVE) was the preferred alternative in order to achieve the remedial goals for the Site. The SVE system was operated from June 2000 to April 2001. A soil vapor confirmation sampling program was completed on December 15, 2001, which indicated that cleanup goals for the 1746 North Spring Street Site soils were achieved. The groundwater operable unit on the 1746 North Spring Street Site is still being investigated under the October 23, 1992 Consent Order.

1.03. For purposes of the BRA, the 1746 North Spring Street Site was divided into three AOPCs based upon historical land use and existing site data, namely AOPC-1, AOPC-2, and AOPC-3. AOPC-2 ("Affected Property"), which mainly occupies lots 34, 35, and 36, is more particularly depicted in Exhibit B, Site Plan, and Exhibit C, Assessor's Map. The Affected Property is that

portion of the Property where elevated concentrations of volatile organic compounds were identified and determined to present unacceptable risk to human health under specific exposure pathways and land use scenarios detailed in the BRA, and which was therefore subject to a removal action. AOPC-1 mainly occupies lots 22, 23, 24 and 25, while AOPC-3 mainly occupies lots 17, 18, 19, 20, 21, 29, 30, 31, 32 and 33.

1.04 The soil at the Affected Property has been remediated in accordance with the Final Soil Removal Action Workplan AOPC-2 (RAW) dated June 30, 2000, prepared pursuant to chapter 6.8, division 20, Health and Safety Code and approved by DTSC on June 30, 2000. Arcadis Geraghty & Miller, Incorporated of Santa Barbara, California prepared the RAW for the Estate of Leo Bortz. The RAW contains a summary of the final baseline risk assessment (BRA) that identifies AOPC-2 as requiring remediation. The RAW also provides that a deed restriction be required because hazardous substances, as defined in Health and Safety Code section 25316, which are also hazardous materials as defined in Health and Safety Code section 25260, remain in the soil under portions of the Property. DTSC circulated the RAW, together with the Notice of Exemption (NOE) pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq., for public review and comment. The NOE was approved by DTSC on June 30, 2000. The removal action included the installation and operation of a soil vapor extraction (SVE) system to remediate volatile organic compound-impacted soils at AOPC-2. No RAWs were developed for AOPC-1 and AOPC-3 because the BRA concluded that removal action was not necessary based on the low cumulative risk posed by existing contaminants present in soils beneath these areas.

1.05. As detailed in the BRA, soils at the Property contain hazardous substances, as defined in Health and Safety Code section 25316. The BRA evaluated risks posed by chemical residues detected in soils underlying the three areas of the Site identified as AOPC-1, AOPC-2, and AOPC-3. Based on the methods and procedures described in the BRA, risks and hazards to human health were identified as acceptable for commercial/ industrial land use for soils beneath AOPC-1 and AOPC-3 of the Site, while those at AOPC-2 exceeded the de minimis level of  $10^{-6}$  carcinogenic risk, considered by the United States Environmental Protection Agency and DTSC when determining remediation goals (40 Code of Federal Regulations Part 300, subpart

430(e)(2)(i)(A)(2)). Cleanup of AOPC-2 was required to minimize risks and hazards to human health to a risk level that would be acceptable under a commercial and industrial land use scenario.

1.06. The health-based cleanup goals (HBGs) for soil vapor at AOPC-2 were calculated at concentrations of *6.46 micrograms/liter* for benzene, and *24.6 micrograms/liter* for methylene chloride. The SVE system was operated from June 2000 to April 2001. During the initial stage of SVE system operation, the elevated concentration of previously undocumented cyclohexane resulted in excessive utilization of granular activated carbon. Subsequently, a cyclohexane soil vapor cleanup level was calculated at *227 micrograms/liter*.

1.07. Following SVE system shutdown, soil vapor sampling activity was conducted for all SVE wells. Analytical results of soil vapor samples indicated that the highest levels of benzene, methylene chloride, and cyclohexane were detected at *5.1 micrograms/liter*, *1.3 micrograms/liter*, and *170 micrograms/liter*, respectively (Soil Removal Action Implementation Completion Report, AOPC-2, IT Corporation, February 7, 2002). These concentrations are below the cleanup levels determined to be acceptable for commercial /industrial land use at the Site, which indicates that cleanup goals for soils on the Site have been achieved.

1.08 DTSC concluded that the Property, as remediated, if limited to commercial and industrial use and subject to the restrictions of this Covenant, would not present an unacceptable threat to human safety or the environment. In addition, DTSC concluded that use of the Property as a residence, hospital, school for persons under the age of 21 or day care center would entail an unacceptable cancer risk because cleanup goals for the soil removal action were based upon commercial land use assumptions (Section 3.5, Recommended Remedial Alternatives, Final Soil Removal Action Workplan, AOPC-2).

1.09 Groundwater beneath the Property ranges from approximately 26 to 33 feet below ground surface. The groundwater operable unit is still being investigated under the October 23, 1992 Consent Order.

ARTICLE II  
DEFINITIONS

2.01. DTSC. "DTSC" means the California Department of Toxic Substances Control and includes its successor agencies, if any.

2.02. Owner. "Owner" means the Covenantors and their successors in interest, including heirs and assignees, who at any time hold title to all or any portion of the Property.

2.03. Occupant. "Occupant" means Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

ARTICLE III  
GENERAL PROVISIONS

3.01. Restrictions to Run with the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every Restriction:

- (a) runs with the land pursuant to Health and Safety Code section 25355.5, subdivision (a)(1)(C) and Civil Code section 1471;
- (b) inures to the benefit of and passes with each and every portion of the Property;
- (c) is for the benefit of, and is enforceable by DTSC; and,
- (d) is imposed upon the Property unless expressly stated as applicable to other specific portion thereof.

3.02. Binding upon Owners/Occupants. Pursuant to Health and Safety Code section 25355.5, subdivision (a)(1)(C), this Covenant binds all Owners of the Property, their heirs, successors, and assignees, and the agents, employees, and lessees of the Owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471, subdivision (b), all successive Owners of the

Property are expressly bound hereby for the benefit of DTSC.

3.03. Written Notice of the Presence of Hazardous Substances. Prior to the sale, lease or sublease of the Property, or any portion thereof, the Owner, lessor, or sublessor shall give the buyer, lessee, or sublessee notice that hazardous substances are located on or beneath the Property, as required by Health and Safety Code section 25359.7.

3.04. Incorporation into Deeds and Leases. From and after the date of recordation of this Covenant, the Restrictions set forth herein shall be incorporated by reference in each and all deeds and leases for any portion of the Property. Further, each Owner or Occupant shall include in any instrument conveying any interest in all or any portion of the Property, including but not limited to deeds, leases, and mortgages, a notice which is substantially the following form:

NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO AN ENVIRONMENTAL RESTRICTION AND COVENANT TO RESTRICT USE OF PROPERTY, RECORDED IN THE PUBLIC LAND RECORDS ON   [DATE]  , IN BOOK   , PAGE   , IN FAVOR OF AND ENFORCEABLE BY THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL.

3:05 Conveyance of Property. The Owner shall provide notice to DTSC not later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding mortgages, liens, and other non-possessory encumbrances). DTSC shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect proposed conveyance, except as otherwise provided by law, by administrative order, or by a specific provision of this Covenant.

#### ARTICLE IV RESTRICTIONS

- 4.01. Prohibited Uses. The Property shall not be used for any of the following purposes:
- (a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation;
  - (b) A hospital for humans;

- (c) A public or private school for persons under 21 years of age;
- (d) A day care center for children.

4.02. Soil and Groundwater Management. Any contaminated soil or groundwater brought to the surface by grading, excavation, mining, drilling, trenching or backfilling shall be managed or disposed of in accordance with all applicable provisions of state and federal law.

4.03. Prohibited Activities. The following activity shall not be conducted at the Property: Drilling for drinking water, oil, gas or other substances without prior written approval by DTSC.

4.05. Access for DTSC. DTSC shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by DTSC in order to protect the public health or safety, or the environment.

## ARTICLE V ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor, Owner or Occupant to comply with any of the Restrictions specifically applicable to it shall be grounds for DTSC to require that the Covenantor or Owner modify or remove any improvements ("Improvements" herein shall mean all buildings, roads, driveways, and paved parking areas) constructed or placed upon any portion of the Property in violation of the Restrictions. Violation of this Covenant shall be grounds for DTSC to file civil or criminal actions as provided by law.

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ARTICLE VI  
VARIANCE, TERMINATION, AND TERM

6.01. Variance. Covenantor, or any other aggrieved person, may apply to DTSC for a written variance from the provisions of this Covenant. Such application shall be made in accordance with Health and Safety Code section 25233.

6.02 Termination. Covenantor, or any other aggrieved person, may apply to DTSC for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with Health and Safety Code section 25234.

6.03 Term. Unless ended in accordance with the Termination paragraph above, by law, or by DTSC in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII  
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever.

7.02. DTSC References. All references to DTSC include successor agencies/departments or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of Los Angeles within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any Notice (Notice includes any

demand or other communication with respect to this Covenant), each Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owners:

Estate of Leo Bortz  
Ms. Dotty Candler  
Personal Representative for the Estate of Leo Bortz  
3161 Provon Lane  
Los Angeles, California 90034

To DTSC:

Sayareh Amir, Chief  
Department of Toxic Substances Control  
Southern California Cleanup Operations  
1011 N. Grandview Ave.  
Glendale, California 91201

Any party may change its address or the individual to whose attention a Notice is to be sent by giving written Notice in compliance with this paragraph.

7.05. Partial Invalidity. If any portion of the Restrictions or other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

7.06 Statutory References. All statutory references include successor provisions.

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IN WITNESS WHEREOF, the Parties execute this Covenant.

Covenantor:

By:

Dotty Candler

Date:

8/12/02

Name:

Ms. Dotty Candler

Title:

Personal Representative for the Estate of Leo Bortz

Department of Toxic Substances Control:

By:

Sayareh Amir

Date:

8/14/02

Title:

Sayareh Amir, Chief

Southern California Cleanup Operations, Glendale Office

SUBSCRIBED AND SWORN TO BEFORE ME BY:

Sayareh Amir

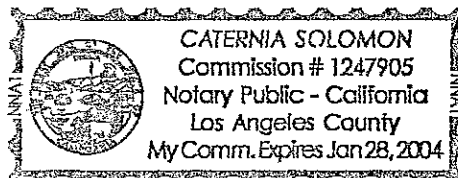
THIS

14

DAY OF

AUG 2002

CATERNIA SOLOMON  
NOTARY PUBLIC



STATE OF CALIFORNIA )

COUNTY OF LOS ANGELES )

On this 12 day of August, in the year 2002,

before me CATHERINE LEVENSON, personally appeared

DOTTY CANOLES

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he she they executed the same in his her their authorized capacity(ies), and that by his her their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Signature Catherine Levenson

EXHIBIT A  
PROPERTY DESCRIPTION

FORMER BORTZ OIL FACILITY  
1746 NORTH SPRING STREET  
LOS ANGELES, CALIFORNIA

LOTS 17 TO 25 INCLUSIVE, AND LOTS 29 TO 36, INCLUSIVE, OF THE WILDHARDT TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 289 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM FROM SAID LOT 23 THAT PORTION THEREOF CONVEYED TO THE LOS ANGELES AND SAN GABRIEL VALLEY RAILROAD COMPANY, NOW ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, BY DEED RECORDED IN BOOK 145 PAGE 169 OF DEEDS AND IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF NORTH SPRING STREET, FORMERLY DOWNEY AVENUE, DISTANT SOUTHWESTERLY 16.00 FEET FROM THE NORTHEAST CORNER OF SAID LOT 25; THENCE BY MAGNETIC BEARING SOUTH 25 DEGREES 47 MINUTES 00 SECONDS EAST 130.00 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF SAID LOT 25, THENCE EASTERLY ALONG SAID SOUTHERLY LINE 20.00 FEET, MORE OR LESS, TO THE EASTERLY LINE OF SAID LOT 25; THENCE NORTHERLY ALONG SAID EASTERLY LINE, 125.50 FEET TO THE NORTHEAST CORNER OF SAID LOT 25; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 25 A DISTANCE OF 16.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM SAID LOT 36 THAT PORTION THEREOF CONVEYED TO THE LOS ANGELES COUNTY AND SAN GABRIEL VALLEY ROAD ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, BY DEED RECORDED IN BOOK 145 PAGE 172 OF DEEDS AND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHERLY LINE OF SAID LOT 36 AT A POINT DISTANT WESTERLY 20.00 FEET FROM THE NORTHEAST CORNER THEREOF, BY MAGNETIC BEARING SOUTH 25 DEGREES 47 MINUTES 00 SECONDS EAST 130.00 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF SAID LOT 36, THENCE EASTERLY ALONG SAID SOUTHERLY LINE 23.00 FEET, MORE OR LESS, TO THE EASTERLY LINE OF SAID LOT 36; THENCE NORTHERLY ALONG SAID EASTERLY LINE 125.50 FEET TO THE NORTHEAST CORNER OF SAID LOT 36; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 36 A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM SAID REAL PROPERTY.

AND FURTHER EXCEPT THEREFROM TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO DRILL AND MAINTAIN WELLS OR OTHER WORKS INTO OR THROUGH SAID REAL PROPERTY AND THE ADJOINING STREETS, ROADS AND HIGHWAYS BELOW A DEPTH OF FIVE HUNDRED (500) FEET AND TO PRODUCE, INJECT, STORE, AND REMOVE FROM AND THROUGH SUCH WELLS OR WORKS, OIL, GAS, WATER AND OTHER SUBSTANCES OF WHATEVER NATURE, INCLUDING THE RIGHT TO PERFORM BELOW SAID DEPTH ANY AND ALL OPERATIONS DEEMED BY GRANTOR NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS.

THE RIGHTS HEREINABOVE EXCEPTED AND RESERVED TO GRANTOR DO NOT INCLUDE AND DO NOT EXCEPT OR RESERVE TO GRANTOR ANY RIGHT OF GRANTOR TO USE THE SURFACE OF SAID REAL PROPERTY OR THE FIRST FIVE HUNDRED (500) FEET BELOW SAID SURFACE OR TO CONDUCT ANY OPERATIONS THEREON OR THEREIN. UNLESS HEREINAFTER SPECIFICALLY EXCEPTED AND RESERVED, ALL RIGHTS AND INTERESTS IN THE SURFACE OF SAID REAL PROPERTY ARE HEREBY CONVEYED TO GRANTEE.

## SCHEDULE A

Order No: 21045225 X49

Your Ref:

1. The estate or interest in the land hereinafter described or referred to covered by this report is:

A FEE

2. Title to said estate or interest at the date hereof is vested in:

LEO BORTZ AND HASKA E. BORTZ, ALSO KNOWN AS HASKA BORTZ, HUSBAND AND WIFE, AS COMMUNITY PROPERTY, AS TO PARCEL 1, 4 AND 5; LEO BORTZ AND HASKA BORTZ, HUSBAND AND WIFE, AS JOINT TENANTS, AS TO THE REMAINDER

3. The land referred to in this report is situated in the State of California, County of LOS ANGELES and is described as follows:

SEE ATTACHED DESCRIPTION

## SCHEDULE B

Page 1

Order No: 21045225 X49.

Your Ref:

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in the policy form designated on the face page of this Report would be as follows:

- A 1. PROPERTY TAXES, INCLUDING ANY ASSESSMENTS COLLECTED WITH TAXES, TO BE LEVIED FOR THE FISCAL YEAR 2002-2003 THAT ARE A LIEN NOT YET DUE.
- B 2. PROPERTY TAXES FOR THE FISCAL YEAR SHOWN BELOW ARE PAID. FOR INFORMATION PURPOSES THE AMOUNTS ARE:

FISCAL YEAR: 2001-2002  
1ST INSTALLMENT: \$10,856.19  
2ND INSTALLMENT: \$10,856.18  
EXEMPTION: \$NONE  
CODE AREA: 0000004  
ASSESSMENT NO: 5409-002-029

AFFECTS: PARCEL 1.

- D 3. PROPERTY TAXES FOR THE FISCAL YEAR SHOWN BELOW ARE PAID. FOR INFORMATION PURPOSES THE AMOUNTS ARE:

FISCAL YEAR: 2001-2002  
1ST INSTALLMENT: \$1,146.99  
2ND INSTALLMENT: \$1,146.98  
EXEMPTION: \$NONE  
CODE AREA: 0000004  
ASSESSMENT NO: 5409-002-024

AFFECTS: PARCEL 2.

- F 4. PROPERTY TAXES FOR THE FISCAL YEAR SHOWN BELOW ARE PAID. FOR INFORMATION PURPOSES THE AMOUNTS ARE:

FISCAL YEAR: 2001-2002  
1ST INSTALLMENT: \$306.99  
2ND INSTALLMENT: \$306.97  
EXEMPTION: \$NONE  
CODE AREA: 0000004  
ASSESSMENT NO: 5409-002-023

AFFECTS: PARCEL 3.

- H 5. PROPERTY TAXES FOR THE FISCAL YEAR SHOWN BELOW ARE PAID. FOR INFORMATION PURPOSES THE AMOUNTS ARE:

FISCAL YEAR: 2001-2002

Page 2

**SCHEDULE B**  
**(continued)**

Order No: 21045225 X49

Your Ref:

1ST INSTALLMENT: \$1,023.45  
2ND INSTALLMENT: \$1,023.44  
EXEMPTION: \$NONE  
CODE AREA: 0000004  
ASSESSMENT NO: 5409-002-022

AFFECTS: PARCELS 4 &amp; 5.

6. THE LIEN OF SUPPLEMENTAL OR ESCAPED ASSESSMENTS OF PROPERTY TAXES, IF ANY, MADE PURSUANT TO THE PROVISIONS OF PART 0.5, CHAPTER 3.5 OR PART 2, CHAPTER 3, ARTICLES 3 AND 4 RESPECTIVELY (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA AS A RESULT OF THE TRANSFER OF TITLE TO THE VESTEE NAMED IN SCHEDULE A; OR AS A RESULT OF CHANGES IN OWNERSHIP OR NEW CONSTRUCTION OCCURRING PRIOR TO DATE OF POLICY.

7. AN OIL AND GAS LEASE FOR THE TERM THEREIN PROVIDED WITH CERTAIN COVENANTS, CONDITIONS AND PROVISIONS, TOGETHER WITH EASEMENTS, IF ANY, AS SET FORTH THEREIN, EXECUTED BY AND BETWEEN THE PARTIES NAMED HEREIN.

DATED MARCH 20, 1912  
LESSOR CHARLES G. EMERY AND FRANK W. EMERY  
LESSEE STANDARD OIL COMPANY, A CORPORATION  
RECORDED IN BOOK 82 PAGE 67 OF LEASES, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA

AFFECTS THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, WITHOUT THE RIGHT TO ENTER UPON OR USE ANY PORTION OF SAID LAND LYING ABOVE SAID DEPTH.

NO ASSURANCE IS MADE AS TO THE PRESENT OWNERSHIP OF THE LEASEHOLD CREATED BY SAID LEASE, NOR AS TO OTHER MATTERS AFFECTING THE RIGHTS OR INTERESTS OF THE LESSOR OR LESSEE IN SAID LEASE.

AFFECTS: PARCEL 1.

8. ANY RIGHTS OF ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, UNDER THAT CERTAIN CONTRACT DATED NOVEMBER 25, 1910 BY AND BETWEEN THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY AND H. RAPHAEL COMPANY, A CORPORATION, AS RECITED IN THE DEED FROM PACIFIC MUTUAL LIFE INSURANCE COMPANY RECORDED MAY 11, 1942 IN BOOK 19353 PAGE 31 OFFICIAL RECORDS.

AFFECTS: PARCEL 2.

9. ANY RIGHTS OF ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, ITS SUCCESSORS AND ASSIGNS OR PERSONS CLAIMING THEREUNDER BY REASON OF THE EXISTING AND USE OF A CERTAIN RAILROAD TRACK, LOCATED ALONG THE SOUTHEASTERLY SIDE OF THE LAND HEREIN DESCRIBED, AS DISCLOSED BY A SURVEY MADE BY THOMAS B.



**SCHEDULE B  
(continued)**

Page 3

Order No: 21045225 X49

Your Ref:

SARGENT IN APRIL 1942 AND AS DISCLOSED IN THE DEED FROM PACIFIC MUTUAL LIFE INSURANCE COMPANY RECORDED MAY 11, 1942 IN BOOK 19353 PAGE 31 OFFICIAL RECORDS OF SAID COUNTY.

AFFECTS: PARCEL 2

- s 10. THE EFFECT OF A PORTION OF LOTS 59 AND 60 LYING WITHIN THE LINES OF THE LOS ANGELES RIVER, AS ESTABLISHED BY ORDINANCE NO. 287 O.S. AS DISCLOSED BY SAID SURVEY, AND AS DISCLOSED BY DEED FROM PACIFIC MUTUAL LIFE INSURANCE COMPANY, RECORDED MAY 11, 1942 IN BOOK 19353 PAGE 31 OFFICIAL RECORDS.
- t 11. RIGHTS OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, ITS SUCCESSORS AND ASSIGNS, UNDER THAT CERTAIN CONTRACT DATED NOVEMBER 25, 1910 BY AND BETWEEN THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, A CORPORATION AND H. RAPHAEL COMPANY, A CORPORATION, AS REFERRED TO IN DEED FROM PACIFIC MUTUAL LIFE INSURANCE COMPANY, A CORPORATION, RECORDED AUGUST 16, 1941 AS INSTRUMENT NO. 128 IN BOOK 18676 PAGE 40 OFFICIAL RECORDS, AFFECTING PARCEL 3.
- u 12. AN EASEMENT FOR RAILROAD SPUR TRACK AND FOR RAILROAD PURPOSES OVER THAT PORTION OF SAID PARCEL 3 AFFECTED BY THE TERMS OF THAT CERTAIN CONTRACT DATED NOVEMBER 25, 1910 BY AND BETWEEN THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, A CORPORATION, AND H. RAPHAEL COMPANY, A CORPORATION IN DEED RECORDED AUGUST 16, 1941 AS INSTRUMENT NO. 128 IN BOOK 18676 PAGE 140 OFFICIAL RECORDS.
- v 13. A DOCUMENT ENTITLED "WAIVER OF DAMAGES INDEMNIFICATION AGREEMENT AND RIGHT OF INGRESS AND EGRESS, CITY OF LOS ANGELES - STORM DRAIN DESIGN DIVISION", SUBJECT TO ALL THE TERMS, PROVISIONS AND CONDITIONS THEREIN CONTAINED, RECORDED JANUARY 20, 1961 AS INSTRUMENT NO. 3445, OFFICIAL RECORDS.

AFFECTS: PORTION OF PARCEL 1.

- x 14. A COVENANT AND AGREEMENT UPON AND SUBJECT TO THE TERMS AND CONDITIONS THEREIN

EXECUTED BY: LEO BORTZ  
IN FAVOR OF: CITY OF LOS ANGELES  
RECORDED: JUNE 27, 1974 AS INSTRUMENT NO. 3525

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

- r AMONG OTHER THINGS, SAID DOCUMENT PROVIDES:

PROVIDE CONFORMING EXITS TO SERVE THE E-3 OCCUPANCY IN THE EVENT THE ADJOINING RAILROAD RIGHT OF WAY BECOMES UNAVAILABLE FOR EXIT PURPOSES FOR ANY REASON.

**SCHEDULE B**  
(continued)

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Your Ref:

z THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE PROPER GOVERNMENT AGENCY APPROVES ITS TERMINATION.

AFFECTS: PARCELS 4 &amp; 5.

AB 15. A COVENANT AND AGREEMENT WHEREIN THE OWNERS OF SAID LAND COVENANT AND AGREE THAT SAID LAND SHALL BE HELD AS ONE PARCEL AND NO PORTION SHALL BE SOLD SEPARATELY, WHICH COVENANT IS EXPRESSED TO RUN WITH THE LAND AND BE BINDING UPON FUTURE OWNERS.

DATED: NOT SHOWN  
EXECUTED BY: LEO BORTZ  
IN FAVOR OF: CITY OF LOS ANGELES  
RECORDED: JANUARY 29, 1985 AS INSTRUMENT NO. 85-107189

AFFECTS: PARCEL 1.

AD 16. AN IRREVOCABLE OFFER TO DEDICATE A PORTION OF SAID LAND FOR THE PURPOSES STATED HEREIN

IN FAVOR OF: CITY OF LOS ANGELES  
FOR: PUBLIC STREET PURPOSES  
RECORDED: SEPTEMBER 3, 1985 AS INSTRUMENT NO. 85-1018937  
AFFECTS: AS FOLLOWS:

AE THE SOUTHEASTERLY 7 FEET OF LOTS 31, 32, 33, 34, 35 AND 36 AND ALSO THE SOUTHEASTERLY 7 FEET OF THE NORTHEASTERLY 37.5 FEET OF LOT 30 OF THE WILDHARDT TRACT, AS PER MAP RECORDED IN BOOK 6 PAGE 289 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY.

EXCEPT THEREFROM SAID LOT 36 THAT PORTION THEREOF CONVEYED TO THE LOS ANGELES AND SAN GABRIEL VALLEY RAILROAD COMPANY, NOW ATCHISON, TOPEKA AND SANTA FE RAILWAY, BY DEED RECORDED IN BOOK 145 PAGE 172 OF DEEDS AND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHERLY LINE OF SAID LOT 36 AT A POINT DISTANT WESTERLY 20.00 FEET FROM THE NORTHEAST CORNER, THEREOF, THENCE BY MAGNETIC BEARING SOUTH 25 DEGREES 47 MINUTES 00 SECONDS EAST 130.00 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF SAID LOT 36, THENCE EASTERLY ALONG SAID SOUTHERLY LINE 23.00 FEET, MORE OR LESS, TO THE EASTERLY LINE OF SAID LOT 36; THENCE NORTHERLY ALONG SAID EASTERLY LINE 125.50 FEET TO THE NORTHEAST CORNER OF SAID LOT 36; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 36 A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING.

AP SAID OFFER WAS ACCEPTED FOR PUBLIC USE BY A RESOLUTION

**SCHEDULE B**  
**(continued)**

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Your Ref:

EXECUTED BY: CITY OF ENGINEER  
RECORDED: AUGUST 11, 1986 AS INSTRUMENT NO. 86-1032004

- AG 17. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

GRANTED TO: CITY OF LOS ANGELES  
PURPOSE: PIPE, VAULTS, AND MANHOLES, TOGETHER WITH APPURTENANT STRUCTURES AND EQUIPMENT, FOR THE PURPOSE OF CONVEYING AND DISTRIBUTING WATER  
RECORDED: MARCH 26, 1987 AS INSTRUMENT NO. 87-453401 OFFICIAL RECORDS  
AFFECTS: THAT PORTION OF LOT 19 OF SUBDIVISION OF THE WILHARDT TRACT IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 289 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDED OF SAID COUNTY, WITHIN A STRIP OF LAND 6.00 FEET WIDE, LYING 3.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

AH BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF SAID LOT 19, DISTANT THEREON 3.00 FEET SOUTHWESTERLY FROM THE NORTHERLY CORNER OF SAID LOT, THENCE SOUTHEASTERLY, AT RIGHT ANGLE FROM SAID NORTHWESTERLY, 7.00 FEET OF SAID LAND.

- AI 18. AN UNRECORDED LEASE AFFECTING THE PREMISES HEREIN DESCRIBED, EXECUTED BY AND BETWEEN THE PARTIES HEREIN NAMED, WITH CERTAIN TERMS, COVENANTS, CONDITIONS AND PROVISIONS SET FORTH THEREIN

LESSOR: LEO BORTZ AND HASKA BORTZ  
LESSEES: BLDG. A CALIFORNIA PENTA CORP., BLDG. B CALIFORNIA PENTA CORP., BLDG. C STANDARD TOOL & DIE, BLDG. C MAY WAH TRADING CO., BLDG. D BORTZ DISTRIBUTION CO., AND BLDG. D BORTZ OIL CO.  
DISCLOSED BY: ASSIGNMENT OF LEASES  
RECORDED: JULY 31, 1987 AS INSTRUMENT NO. 87-1224255

AJ THE PRESENT OWNERSHIP OF THE LEASEHOLD CREATED BY SAID LEASE AND OTHER MATTERS AFFECTING THE INTEREST OF THE LESSEE ARE NOT SHOWN HEREIN.

- AK 19. ANY CLAIM, WHICH ARISES OUT OF THE TRANSACTION VESTING IN THE INSURED THE ESTATE OR INTEREST INSURED BY THIS POLICY, BY REASON OF THE OPERATION OF FEDERAL BANKRUPTCY, STATE INSOLVENCY, OR SIMILAR CREDITORS' RIGHTS LAWS, THAT IS BASED ON:

(i) THE TRANSACTION CREATING THE ESTATE OR INTEREST INSURED BY THIS POLICY BEING DEEMED A FRAUDULENT CONVEYANCE OR FRAUDULENT TRANSFER;

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SCHEDULE B  
(continued)

Order No: 21045225 X49

Your Ref:

OR

(ii) THE TRANSACTION CREATING THE ESTATE OR INTEREST INSURED BY THIS POLICY BEING DEEMED A PREFERENTIAL TRANSFER EXCEPT WHERE THE PREFERENTIAL TRANSFER RESULTS FROM THE FAILURE:

(A) TO TIMELY RECORD THE INSTRUMENT OF TRANSFER; OR

(B) OF SUCH RECORDATION TO IMPART NOTICE TO A PURCHASER FOR VALUE OR A JUDGMENT OR LIEN CREDITOR.

AL END OF SCHEDULE B

AM NOTE NO. 1: THERE ARE NO CONVEYANCES AFFECTING SAID LAND, RECORDED WITHIN SIX (6) MONTHS OF THE DATE OF THIS REPORT.

AN NOTE NO. 2: THE CHARGE FOR A POLICY OF TITLE INSURANCE, WHEN ISSUED THROUGH THIS TITLE ORDER, WILL BE BASED ON THE BASIC (NOT SHORT-TERM) TITLE INSURANCE RATE.

AO NOTE NO. 3: WHEN THIS TITLE ORDER CLOSURES AND IF CHICAGO TITLE IS HANDLING LOAN PROCEEDS THROUGH SUB-ESCROW, ALL TITLE CHARGES AND EXPENSES NORMALLY BILLED, WILL BE DEDUCTED FROM THOSE LOAN PROCEEDS (TITLE CHARGES AND EXPENSES WOULD INCLUDE TITLE PREMIUMS, ANY TAX OR BOND ADVANCES, DOCUMENTARY TRANSFER TAX AND RECORDING FEES, ETC.).

AP NOTE NO. 4: IF THIS COMPANY IS REQUESTED TO DISBURSE FUNDS IN CONNECTION WITH THIS TRANSACTION, CHAPTER 598, STATUTES OF 1989 MANDATES HOLD PERIODS FOR CHECKS DEPOSITED TO ESCROW OR SUB-ESCROW ACCOUNTS. THE MANDATORY HOLD PERIOD FOR CASHIER'S CHECKS, CERTIFIED CHECKS AND TELLER'S CHECKS IS ONE BUSINESS DAY AFTER THE DAY DEPOSITED. OTHER CHECKS REQUIRE A HOLD PERIOD OF FROM TWO TO FIVE BUSINESS DAYS AFTER THE DAY DEPOSITED. IN THE EVENT THAT THE PARTIES TO THE CONTEMPLATED TRANSACTION WISH TO RECORD PRIOR TO THE TIME THAT THE FUNDS ARE AVAILABLE FOR DISBURSEMENT (AND SUBJECT TO COMPANY APPROVAL), THE COMPANY WILL REQUIRE THE PRIOR WRITTEN CONSENT OF THE PARTIES. UPON REQUEST, A FORM ACCEPTABLE TO THE COMPANY AUTHORIZING SAID EARLY RECORDING MAY BE PROVIDED TO ESCROW FOR EXECUTION.

## WIRE TRANSFERS

THERE IS NO MANDATED HOLD PERIOD FOR FUNDS DEPOSITED BY CONFIRMED WIRE TRANSFER. THE COMPANY MAY DISBURSE SUCH FUNDS THE SAME DAY.

CHICAGO TITLE WILL DISBURSE BY WIRE (WIRE-OUT) ONLY COLLECTED FUNDS OR FUNDS RECEIVED BY CONFIRMED WIRE (WIRE-IN). THE FEE FOR EACH WIRE-OUT IS \$25.00. THE COMPANY'S WIRE-IN INSTRUCTIONS ARE:

WIRE-IN INSTRUCTIONS FOR BANK OF AMERICA:

SCHEDULE B  
(continued)

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Order No: 21045225 X49

Your Ref:

BANK: BANK OF AMERICA  
1850 GATEWAY BLVD.  
CONCORD, CA 94520

BANK ABA: 121000358

ACCOUNT NAME: CHICAGO TITLE COMPANY  
BROADWAY PLAZA OFFICE

ACCOUNT NO.: 12351-50737

FOR CREDIT TO: CHICAGO TITLE COMPANY  
700 SOUTH FLOWER, SUITE 900  
LOS ANGELES, CA 90017

FURTHER CREDIT TO: ORDER NO.: 021045225

AQ

NOTE NO. 5: WE WILL REQUIRE A STATEMENT OF INFORMATION FROM THE PARTIES NAMED BELOW IN ORDER TO COMPLETE THIS REPORT, BASED ON THE EFFECT OF DOCUMENTS, PROCEEDINGS, LIENS, DECREES, OR OTHER MATTERS WHICH DO NOT SPECIFICALLY DESCRIBE SAID LAND, BUT WHICH, IF ANY DO EXIST, MAY AFFECT THE TITLE OR IMPOSE LIENS OR ENCUMBRANCES THEREON.

PARTIES: ALL PARTIES

(NOTE: THE STATEMENT OF INFORMATION IS NECESSARY TO COMPLETE THE SEARCH AND EXAMINATION OF TITLE UNDER THIS ORDER. ANY TITLE SEARCH INCLUDES MATTERS THAT ARE INDEXED BY NAME ONLY, AND HAVING A COMPLETED STATEMENT OF INFORMATION ASSISTS THE COMPANY IN THE ELIMINATION OF CERTAIN MATTERS WHICH APPEAR TO INVOLVE THE PARTIES BUT IN FACT AFFECT ANOTHER PARTY WITH THE SAME OR SIMILAR NAME. BE ASSURED THAT THE STATEMENT OF INFORMATION IS ESSENTIAL AND WILL BE KEPT STRICTLY CONFIDENTIAL TO THIS FILE.)

PLATS  
DB/LGP

1 GIBSON, DUNN & CRUTCHER  
 2 SHARI LEINWAND  
 3 JOHN O'HALLORAN  
 4 2029 Century Park East  
 5 Suite 4000  
 6 Los Angeles, California 90067  
 7 (213) 552-8500  
 8 Attorneys for Conservator

APR 10 2001  
 COUNTY CLERK

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 FOR THE COUNTY OF LOS ANGELES

11 Estate of

12 LEO BORTZ,

13 Deceased

File No.: P 742 146

ELECTION BY CONSERVATOR OF  
 THE ESTATE OF THE SURVIVING  
 SPOUSE TO ADMINISTER  
 SURVIVING SPOUSE'S COMMUNITY  
 PROPERTY IN DECEASED  
 SPOUSE'S ESTATE  
 (Probate Code § 13502)

1. I, Robert M. Karns, M.D., am the Conservator of the  
 Person and Estate of Haska Bortz. I was appointed under Letters  
 of Conservatorship issued on December 4, 1990.

2. Leo Bortz, died on March 23, 1990. Letters Testamentary  
 appointing Dorothy Rae Candler and Robert M. Karns, M.D. Executors  
 of the Estate of Leo Bortz were issued on May 31, 1990.

3. By Order of this Court dated November 14, 1990, the  
 Conservator of the Person and Estate of Haska Bortz was authorized  
 to exercise the election, on behalf of the Conservatee, under  
 Section 13502 of the Probate Code to administer both halves of the  
 community property of the Conservatee and the decedent, Leo Bortz,  
 pursuant to Division 7 of the Probate Code.

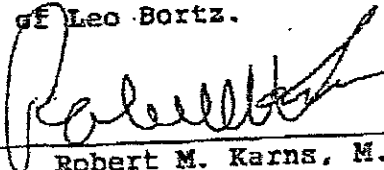
Exhibit B

4/29/91

1 4. No order under Probate Code Section 13656 confirming the  
2 surviving spouse's community property interest has been entered.

3 5. I, Robert M. Karns, Conservator of the Estate of Haska  
4 Bortz, Conservatee, hereby elect to have the interest of the  
5 Conservatee in the community property of the Conservatee and Leo  
6 Bortz administered in the Estate of Leo Bortz.

7  
8 Dated: April 29, 1991.

  
Robert M. Karns, M.D.

9 Conservator of the Person and Estate  
10 of Haska Bortz  
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28 6574Q

WILHARDT TRACT  
JUNCTION BLOCK  
SILVANY TRACT  
TRACT NO. THIRTY-SIX  
TRACT NO. 13068  
TRACT NO. 20985  
M.B. 6-289  
M.B. 38-80  
M.B. 5-1  
M.B. 12-193  
M.B. 270-31-32  
M.B. 672-67-69

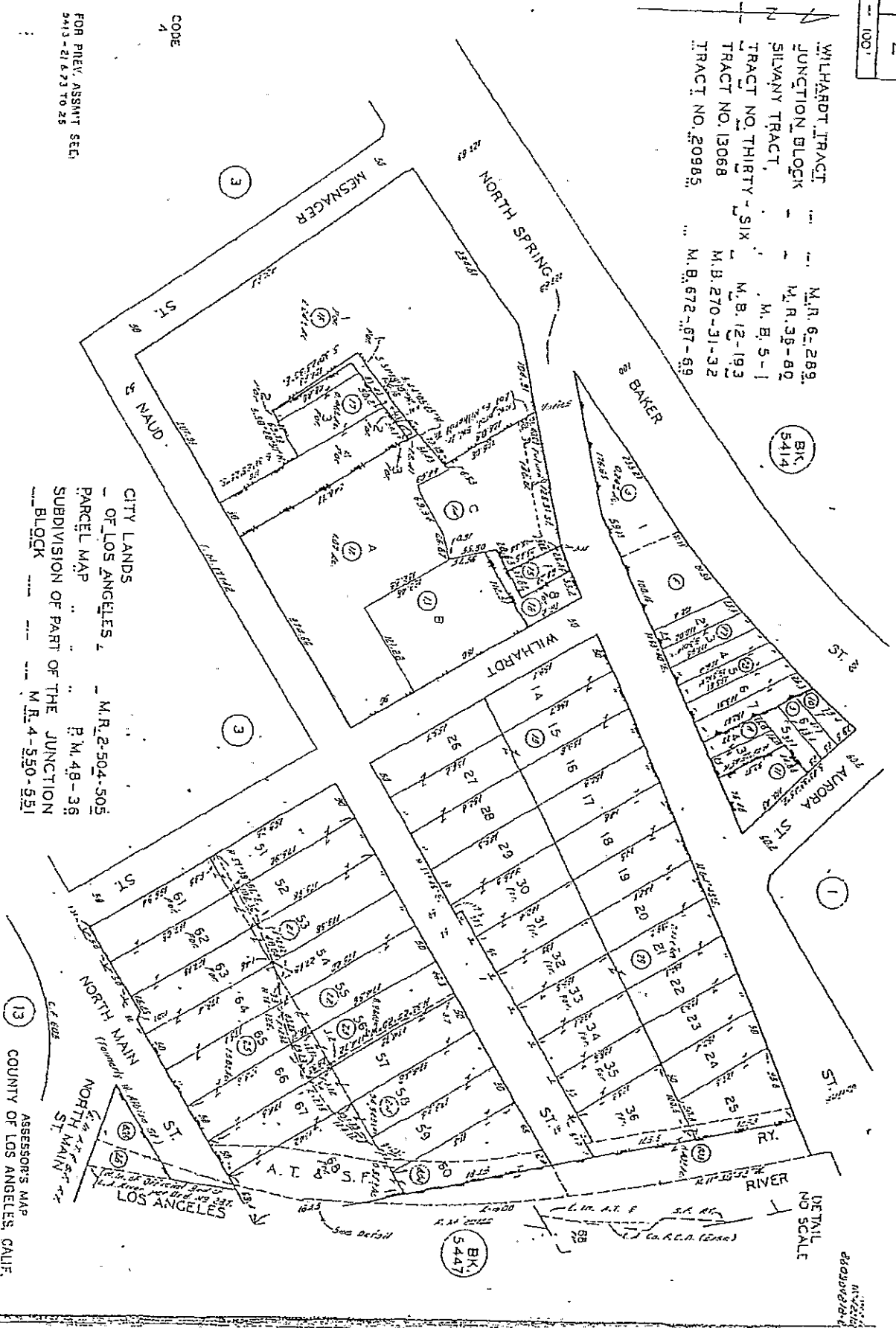


EXHIBIT C  
ASSESSOR'S MAP

FORMER BORTZ OIL FACILITY  
1746 NORTH SPRING STREET  
LOS ANGELES, CALIFORNIA

(13) COUNTY OF LOS ANGELES, CALIF.



